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16 September 1952

Comptroller Circular #5

TO : All Agency Allottees

SUBJECT : Designation of Overt or Covert allotted funds on requisitions and obligation documents for procurement of supplies, equipment and related services

1. It has been the procedure for all Agency activities to requisition from the Procurement and Supply Office supplies and equipment for which they have budgeted and received allotments of appropriated funds. These requisitions have contained reference to the allotment account chargeable, as required in CIA Regulations, [REDACTED], B (1) and Confidential Funds Regulations [REDACTED], b. (2).

2. However, the allotment account indicated does not reveal whether funds are allotted as Covert allotments, serviced by the Finance Division, or Overt allotments, serviced by the Fiscal Division. There are numerous divisions and activities to which Covert allotments and Overt allotments are both granted against a single allotment account number. Accordingly, when purchase orders and contracts are let which contain reference to the allotment account designated on the requisition by the allottee, it is not known whether the obligation applies

to a Covert or an Overt allotment. In the past the deciding factor has been determined by the Division, Fiscal or Finance, which will pay the obligation. This procedure has resulted in charges on the Fiscal Division records for which there is no or inadequate allotments and allotments on the Finance Division records for which there are no charges. In effect, it makes no difference which organizational unit of the Comptroller's office will pay the obligation, since there are mechanics for the transfer of charges between the Fiscal and Finance Divisions. The determination as to where charges are to be recorded shall be based upon where the funds are allocated regardless of how payment is to be effected.

3. To assure that proper allotments are obligated from requisitions for supplies, equipment, and related services, it is requested that, effective immediately, the requisitions (and subsequent executed purchase orders or contracts) indicate after the designated allotment reference the indicator "Covert" or "Overt" as appropriate, based solely on where funds have been allotted and not on the manner of effecting payment.